

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>				1. CONTRACT ID CODE	PAGE OF PAGES <b>1 of 21</b>
2. AMENDMENT/MODIFICATION NO. <div style="text-align: center;">0001</div>		3. EFFECTIVE DATE <div style="text-align: center;">April 28, 2004</div>		4. REQUISITION/PURCHASE REQ. NO	
				5. PROJECT NO. (If applicable) Consulting Services	
6. ISSUED BY BUYER/SYMBOL: MADELEINE A. LYNCH / DESC-FPC DEFENSE ENERGY SUPPORT CENTER 8725 JOHN J. KINGMAN ROAD, SUITE 2945 FORT BELVOIR VA 22060-6222 TELEPHONE: 703-767-8279    FACSIMILE: 703-767-9338		CODE    SPO600		7. ADMINISTERED BY (If other than Item 6)    CODE	
8. NAME AND ADDRESS OF CONTRACTOR (NO., street, city, county, State, and ZIP Code)				9a. AMENDMENT OF SOLICITATION NO. SP0600-04-R-0098	
				9b. DATED (SEE ITEM 11) April 16, 2004	
				10a. MODIFICATION OF CONTRACT/ORDER NO.	
				10b. DATED (SEE ITEM 13)	
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS					
<p>[X] The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers [ ] is extended, [ X ] is not extended</p> <p>Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning two (2) copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.</b> If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.</p>					
12. ACCOUNTING AND APPROPRIATION DATA (If required)					
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14					
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.					
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b)					
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:    MUTUAL AGREEMENT					
D. OTHER (Specify type of modification and authority)					
E. IMPORTANT: Contractor [X] is not [ ] is required to sign this document and return two (2) copies to the issuing office.					
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)					
<p>A. Clause I605.03 CONFIDENTIALITY AND NONDISCLOSURE OF NONPUBLIC INFORMATION AND CONFLICTS OF INTEREST (DESC APR 2002) is <b>added</b> to the above referenced solicitation. (Attachment 1)</p> <p>B. Clause L603 EVALUATION OF COMPENSATION FOR PROFESSIONAL EMPLOYEES (FEB 1993) is <b>deleted</b> from the above referenced solicitation.</p> <p>C. The attached <b>Questions</b> submitted by potential offerors and <b>Answers</b> provided by DESC are hereby incorporated into the above-referenced solicitation on pages. (Attachment 2)</p> <p>D. Samples of Statements of Work for Task Orders:</p> <ol style="list-style-type: none"> <li>1. Sample for a Typical Study (Attachment 3)</li> <li>2. Sample for a Management Support Study (Attachment 4)</li> </ol>					
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.					
				16A. NAME OF CONTRACTING OFFICER <div style="text-align: center;"><b>BRIAN DELONG</b></div>	
15B. NAME OF CONTRACTOR/OFFEROR  BY _____ (Signature of person authorized to sign)		15C. DATE SIGNED		16B. UNITED STATES OF AMERICA  BY _____ (Signature of Contracting Officer)	
				16C. DATE SIGNED	

**I605.03      CONFIDENTIALITY AND NONDISCLOSURE OF NONPUBLIC INFORMATION AND  
CONFLICTS OF INTEREST (DESC APR 2002)**

(a) The Contractor may have access to nonpublic information while providing support services under this contract. **Nonpublic information** includes, but is not limited to, advanced procurement information, such as future requirements, statements of work and acquisition strategies; source selection information, such as source selection plans, offers before they are made public, and rankings of proposals; trade secrets; proprietary information submitted by a Government Contractor; information protected by the Privacy Act; attorney work product; and other sensitive information that would not be released by the Defense Energy Support Center under the Freedom of Information Act, e.g., program, planning, and budget information.

(b) The Contractor shall require that all employees assigned to perform tasks under this contract sign and comply with a Confidentiality and Nondisclosure Agreement as required by the Contracting Officer. This Agreement requires each individual working under the contract to certify that he/she—

(1) Shall not seek access to nonpublic information beyond what is required for performance of the support services contract;

(2) Shall ensure that his/her status as a Contractor employee is known when seeking access to and receiving nonpublic information from Government employees, members of the general public, or other Contractors/offers;

(3) Shall not use or disclose such information for any purpose other than providing the contract support services or disclose the information for any personal or other commercial purpose;

(4) Shall advise the Contracting Officer in writing as soon as possible if he/she becomes aware of any improper release or disclosure of nonpublic information.

(5) Shall agree to return any nonpublic information given to him/her during contract performance, including all copies, upon completion of each assignment; and

(6) Shall recognize that release or disclosure of nonpublic information is in violation of the signed Agreement and that contractual actions, as well as civil or criminal remedies authorized by law, are applicable to both the Contractor employee and the Contractor for unauthorized use or release of nonpublic information.

(c) The performance of tasks under this contract may also present Contractor employees with potential conflicts of interest. A **conflict of interest** includes, but is not limited to (1) participating personally and substantially in a Government procurement, contract, issue, litigation, or other matter that will affect a Contractor employee's financial interests or those of the employee's spouse, minor child, general partner, an organization in which the employee serves as an officer, director, trustee, general partner, or employee, or a person with whom the employee is negotiating for, or has an arrangement concerning, prospective employment, or (2) involvement in a Government procurement, contract, issue, litigation, or other matter that might affect the financial interests of a person who is a member of the employee's household or with whom the employee has a close personal relationship; a person for whom the employee's spouse, parent, or dependent child serves as an officer, director, trustee, general partner, agent, attorney, consultant, contractor, or employee; any person for whom the employee has within the last year served as officer, director, trustee, general partner, agent attorney, consultant, contractor, or employee; or any organization in which the employee is an active participant. The Contractor shall require that Contractor employees disclose potential conflicts of interest by providing a written statement of their financial holdings and interests (excluding holdings of diversified mutual funds) to the Contracting Officer, upon written request. The Contractor shall resolve potential conflicts of interest to the Contracting Officer's satisfaction when identified, including, but not limited to, substituting equally qualified Contractor employees that do not have a conflict of interest to perform tasks under this contract.

(DESC 52.224-9F10)

## **QUESTIONS AND RESPONSES REGARDING SOLICITATION SP0600-04-R-0098**

- 1. Under DD Form 1707, Information to Offerors or Quoters, paragraph B., the number of copies required for submission is defined, which agrees with Clause L2.31, Proposal Format and Content, (a) Price Proposal, (1), and (b) Technical Proposal, (1) of the solicitation. However, the Offeror Submission Package, identifies that two copies must be submitted. Please clarify the number of copies required for submission?**

Response: Please provide the original and one (1) copy of the Offeror Submission Package, the original and one (1) copy of the Price Proposal and the original and three (3) copies of the Technical proposal.

- 2. Under Clause B34.01, Services to be Furnished and Prices, the proposed rates are for price evaluation purposes only and the proposals submitted for individual task orders may utilize different rates. Should the proposed rates reflect rates that would be current as of proposal submission or as applicable for the anticipated period of performance (01 July 2004 – 30 June 2009)?**

Response: Please provide the current rates per hour.

- 3. How will the Government determine cost realism?**

Response: If applicable, cost realism will be determined on individual task orders.

- 4. What are the minimum qualifications for the labor categories?**

Response: The labor categories are broadly stated because of the wide variety of potential services required. If a contractor is uncertain what rates should be submitted, he may submit multiple rates (with a description of each), and we will select the one(s) that we consider most appropriate.

- 5. What limitations would apply for proposals submitted for individual task orders?**

Response: Any limitations would be determined on a case-by-case basis for individual task orders.

- 6. Under DD Form 1707, Information to Offerors or Quoters, paragraph E., three awards will be made to Small Businesses and one award will be made to a Small Disadvantaged Business. How many total awards are anticipated to be made?**

Response: This will depend on the number of qualified offers received. Under the previous solicitation, nine contracts were awarded.

- 7. Under Clause L2.31, Proposal Format and Content, (b) Technical Proposal, (1), the page count is limited to 10 pages excluding resumes. Will the Table of Contents, Cover Page, and any Appendices be included in the page count?**

Response: The Table of Contents and Cover Page will not be included in the page count.

- 8. Under Clause I170, Utilization of Small Business Concerns, the contractor must exert its best efforts to utilize Small Businesses. Will a Subcontracting Plan or submission of Subcontracting Report or Individual Contracts (Standard Form 294) be required?**

Response: Not for this proposal. It may be required for individual task orders.

- 9. Under Section J – List of Attachments, a Certification Package is listed as Attachment 1. What is considered to be the Certification Package?**

Response: The Certification Package consists of the Standard Form 33, Solicitation, Offer and Award, Index, and pages 2 through 9 which are all elements of Attachment 1.

**10. Is this a new requirement or follow-on to existing work?**

Response: This would be considered a follow-on to current contracts.

**11. Is there an incumbent? If so, who and what are the contract numbers?**

Response: There are nine incumbents. Here are the contract numbers that were awarded:

SP0600-00-D-5015 – Booz Allen & Hamilton  
SP0600-00-D-5016 – C4E  
SP0600-00-D-5017 – Exeter Associates, Inc.  
SP0600-00-D-5018 – KPMG  
SP0600-00-D-5019 – PMC, Inc.  
SP0600-00-D-5020 - Radian, Inc.  
SP0600-00-D-5021 - Synergy, Inc.  
SP0600-00-D-5022 – Systems, Inc.  
SP0600-00-D-5023 – TRW

**12. Why is there a new procurement?**

Response: The current contract expires in June 2004.

**13. Is there a list of previous task or any kind of descriptions of work performed under the previous contracts?**

Response: Two sample Statements of Work are attached. One is for a typical Study and the other is for a Management Support Study. Both samples represent typical task orders.

**14. 1. Clause L603. Evaluation of Compensation for Professional Employees (Feb 1993). This clause does not seem appropriate for this type of contract. The clause states that: " ...offerors will submit a total compensation plan setting forth salaries and fringe benefits proposed for the professional employees who will work under the contract." The type of professional employees who will work under the contract is unknown at this point in time. The solicitation only requires an hourly rate for typical types of personnel, not for what may actually be required. If you require a total compensation plan then you do not need to ask for example rates.**

Response: This clause has been deleted from the solicitation under Amendment 1.

**15. Do you want the rates multiplied by the number of hours and summed up?**

Response: No. Please provide the rate per hour for CLIN 0001 through CLIN 0005.

- 16. Section L2.31, Proposal Format and Content, paragraph (b) (2) (i) states that “...The experience of each person listed as key personnel should be described, with a resume provided for each.” Which labor categories does the Government consider as “key” for this contract?**

Response: Key personnel are any management people who would normally be responsible for overseeing or completing task orders.

- 17. Would the Government please provide an estimate of funding for the base year? For each option year?**

Response: The current contract awards were approximately \$3,000,000. per year. Section B, Clause B34.01, notes that the task orders will be fixed price, indefinite delivery an indefinite quantity awards with a minimum guarantee of \$1,000 per contractor. Task orders will be competed among contractors that are awarded contracts resulting from this solicitation. The maximum quantity of services the Government will acquire is \$15,000,000.

- 18. Para E of information to offerers indicates you reserve three awards for small business and one award for small disadvantaged business. Do you have a limit on the number of large business/total awards you intend to make?**

Response: There is no limitation on the number of awards made to large businesses.

- 19. The first page requirements listed in L2.05-8(c)(2) also seem to be covered in the Offeror's Submission Package details (SF33). Do we still have to include it as the first page of the proposal. If yes, then is this considered part of the 10 page limit technical proposal limit?**

Response: The SF33 satisfies the requirement. It is not counted as part of the page limit.

**Statement of Work**  
**Defense Logistics Agency (DLA)**  
**Defense Energy Support Center (DESC)**  
**Development and Evaluation of the Enhanced Fuels**  
**Distribution System Study**

## STATEMENT OF WORK

### 1.0 Introduction

This Statement of Work (SOW) is initiated to provide contractor resources to the Defense Energy Support Center (DESC) for the development and evaluation of the Enhanced Fuels Distribution System Study (EFDSS). This initiative will involve research, analysis and recommendations related to the cost/benefits associated with any refinements and/or modifications to existing DoD bulk petroleum resupply practices. The contractor will be required to have a detailed knowledge of the current policies, directives, regulations, fuel specifications, and missions as they relate to DESC and its supported DoD organizations, and to current commercial fuel wholesale and retail processes and methods for storage, distribution, issue and quality assurance/surveillance procedures.

### 2.0 Background

Originally, all of the required refueling services were organic to each of the Military Services. Typically, this service was provided by uniformed or civil service fuel personnel, using government-owned, government-operated (GOGO) infrastructure in conjunction with the use of government owned and operated refueling equipment. In some instances, the Military Services have converted base operations to a government-owned, contractor-operated (GOCO) type operation. With the advent of the Department of Defense mandated Integrated Materiel Management (IMM, phase I) in the early 1970s, responsibility for all DoD bulk fuel infrastructure upstream of the base boundaries was passed from the Military Services to the Defense Logistics Agency (DLA) and thence to the Defense Energy Support Center (DESC). DESC policy for management of those off-base government-owned assets was to make maximum use of commercially available fuel infrastructure using commercial operating contractors<sup>1</sup>. Further, DESC adopted a deliberate plan to contract for the operation of U.S. government fuels storage and distribution assets upstream of the base boundary, where employment of those commercial assets represented the lowest cost alternative for resupply. That outsourcing approach led to a robust, upstream system of GOCO and contractor-owned contractor-operated (COCO) terminals which was capable of responding to Cold War fuel demands, while allowing sufficient flexibility to expand and contract the storage infrastructure in concert with varying contingency response scenarios. Employment of commercial infrastructure (i.e., COCOs) enabled DESC to not only avoid capital investment in upstream infrastructure, but also allowed downsizing, when portions of that capability were no longer needed.

In the early 1990s, OSD directed implementation of DoD IMM Phase II. This increment extended DESC bulk fuel commodity ownership to the point of fuel issue. It appointed DESC as the DoD single manager of the resulting consolidated bulk fuel stocks, and charged it with maintaining the government-owned storage and distribution system in the

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<sup>1</sup> DOD Directive 4140.25 – DoD Management of Bulk Petroleum Products, Natural Gas, and Coal, 1994



most cost-effective manner possible. The Military Services remained, however, the operators of their respective base bulk refueling facilities.

### **3.0 Objectives:**

At this point in time, the Defense Energy Support Center (DESC) has a vested interest in the wholesale and retail fuel operations for the Department of Defense (DoD). It is DESC's desire to ensure that the most efficient and economically effective operational and business practices are employed wherever practical and feasible throughout the bulk petroleum distribution chain described above. As a consequence, DESC would like to review the policies, regulations and procedures as stated below, highlight any potential changes that should be undertaken to remove redundancies and inefficiencies in the bulk fuel distribution chain, quantify cost savings that would be accrued from these actions, identify significant business process improvement associated with these actions, and provide a data driven business case for so doing.

The purpose of this Statement of Work (SOW) is to improve the operational efficiency of the Defense Energy Support Center (DESC). After a thorough review of current operational policy and facility infrastructure, the study will make recommendations that recognize that DESC now owns all bulk fuel products and manages the entire bulk petroleum distribution chain. It will provide cost benefit analysis on any recommendations made that would require significant capital investment by DESC. In particular, the following specific tasks are to be undertaken:

### **4.0 Description of Tasks**

#### **4.1 Task 1**

Examine the operational and economic impacts and feasibility of DESC procuring and storing commercially available jet fuel (Jet A1 or DEF STAN 91-91) in lieu of the current MILSPEC standard jet fuel (JP-8) in its bulk petroleum distribution system. Identify differences between the two commercial specifications and JP-8, and the operational impact of utilizing a product varying from the JP8 specification at all times. Review the bulk petroleum distribution chain for ability to store and convert commercial Jet A1 or DEF STAN 91-91 to military specification fuel (JP-8) at the last possible point in distribution chain (or a point closest to end-using equipment). Provide detailed business case analysis for this alternative. Cost analysis should include a review of potential operational cost (+/-) impacts including training, quality inspection procedures, reduction in War Reserve Material (WRM) bulk fuel requirements (being driven by a MILSPEC product) and any other infrastructure costs (additive injection, fuel filtration, etc.) to accommodate this change. Examination of this initiative in both CONUS and OCONUS environments should be accomplished highlighting any perceived differences. DESC's ability to support short notice, remotely located contingency operation requirements should also be considered as part of this review.

Review current commercial technology for injecting required military specification (JP-8) additives that would enable conversion of commercial Jet A1 or DEF STAN 91-91 into MILSPEC JP-8. Make recommendations on injection methodology, points of injection, and technological solutions that would ensure on-specification product is being issued into consuming equipment. Review and analysis must consider the impact (cost and workload) on increased additive acquisition, storage, and injection processes if changes to the current processes are recommended and proposed methodologies for executing that supply chain management task (e.g., turn-key contract management, use of government infrastructure, etc.). Benefits to be explored include, but are not limited to:

Improved operational flexibility through increased availability of commercial suppliers and readily available commercial product (Jet A1 or DEF STAN 91-91)

Possible overall product cost savings through increased supplier competition

Reduction in hazardous waste disposal by injecting the commercial fuel with additives at the last possible issue point (e.g. skin of aircraft, vehicle, etc.)

Savings associated with the potential elimination of additive losses driven by the current practice of injecting additives upstream of the final storage/point of use.

Possible operational/cost benefits by reducing number of potential apple jelly-related incidents in the petroleum distribution systems (e.g., contamination of fuel filters, increased maintenance procedures, etc.) and potential diseconomies associated with the upstream presence of additives. In addition, identify possible operational impacts on consuming equipment of apple jelly formation in the new scenario.

## **4.2 Task 2**

Examine existing quality policies, regulations, guidelines and technical orders for DESC, Defense Contract Management Agency (DCMA), and each Military Department (Army, Air Force and DON) concerning quality assurance/surveillance and inspection procedures that take place between the refinery and the end use equipment (aircraft, vehicles, ships, etc.). Review should apply to the DESC Bulk Fuels, Into-plane, Bunker and Ground Fuels purchase programs. The Contractor will be required to research, analyze and make recommendations to eliminate duplication or unwarranted quality assurance/surveillance practices by comparing existing DoD procedures with that of commercial entities with similar mission profiles (e.g., airline industry, pipeline companies, etc.). The Contractor will need to provide estimates for any potential cost savings generated over a ten-year period if changes are implemented. Identify additional risks as they would apply to security, safety and the ability of DESC to continue to meet customer requirements for quality, on-specification product to be delivered to the end-use equipment. Additionally, for risks identified by the above changes, the Contractor shall identify methods and costs required to ameliorate the risks.

## 5. Source Documents

The following publications are included as references and are not intended to be an all-inclusive list.

### INDEX OF REFERENCES

References are listed in numeric sequence.

Type of publication is abbreviated as follows: D = Directive, H = Handbook, I = Instruction, M = Manual, and R = Regulation.

Number	Title
(a) DLAR 1000.22	Environmental Considerations in DLA Actions in the United States, 1 Jun 81
(b)DLAR 1000.29	Environmental Considerations in DLA Actions Abroad, 14 Jul 81
(c) DoDD 3025.1	Military Support to Civil Authorities, 15 Jan 93
(d) DoDD 4000.19	Interservice, Interdepartmental, and Interagency Support, 15 Apr 92
(e) DLAR 4105.1	Defense Logistics Acquisition Regulation, 24 May 94
(f) DLAH 4105.4	DoD Directory of Contract Administration Services Components, 13 Apr 94
(g) DoD 4120.3-M	Defense Standardization Program Policies and Procedures, Jul 93
(h) DoDI 4120.14	Environmental Pollution Prevention, Control and Abatement, 30 Aug 77
(i) DoDD 4140.25	DoD Bulk Petroleum Management Policy, 8 Jan 93
(j) DLAM 4155.1	Petroleum Contract Quality Assurance Manual, Feb 88
(k) DLAR 4155.24	Product Quality Deficiency Report Program, 20 Jul 93
(l) DoD 4161.2-M	DoD Manual for the Performance of Contract Property Administration, Dec 91
(m) DESCR 4220.1	Requirements Submission Schedule for Fuel and Commercial Services, Nov 91
(n) DoD 4500.9-R	Defense Transportation Regulation, Apr 96
(o) DoDD 4500.9	Transportation and Traffic Management, 26 Jan 89
(p) DoDI 5000.2	Defense Acquisition Management Policies and Procedures, 23 Feb 91
(q) DoD 5025.1-M	DoD Directives System Procedures, Dec 90
(r) DoDD 5030.41 1 Jun 77	Oil and Hazardous Substances Pollution Prevention and Contingency Program, 1 Jun 77
(s) DoDD 5100.27	Delineation of International Logistic Responsibilities, 29 Dec 64
(t) DoDD 5100.50	Protection and Enhancement of Environmental Quality, 24 May 73
(u) DoDD 6050.1	Environmental Effects in the United States of DoD Actions, 30 Jul 79
(v) DLAM 6050.1	DLA Environmental Protection Manual, Jul 91
(w) DoDD 6050.16	DoD Policy for Establishing and Implementing Environmental Standards at Overseas Installations, 20 Sep 91
(x) MIL-HDBK-114A	Mobility Fuels User Handbook, 20 Jul 90
(y) MIL-HDBK-200	Military Standardization and Quality Surveillance Handbook for Fuels and Related Products, 1 Jul 87
(z) MIL-STD-457	Frequency for Inspection and Cleaning of Petroleum Fuel Operating
(aa) MIL-STD-1548	Intoplane Delivery of Fuel and Oil at Commercial Airports
(bb) MIL-STD-3004	DoD Standard Procedure Quality Surveillance for Fuels, Lubricants and Natural Products,
(cc) 42 U.S.C. 7401-7671	Clean Air Act, 1990
(dd)	Privatizing and Outsourcing Military Refueling Support, John S. Bartenhagen, Jr. LTC (P) Jack L. Vance, 6 June 99 The Industrial College of the Armed Forces National Defense University Fort McNair, Washington, DC 20319-5062

## **6.0 Project Management**

The Contractor shall provide a Project Manager to plan, organize, staff, and control all work required under this order. All required documents originated under this delivery order shall be submitted electronically to the Government's Contracting Officers Representative (COR) and Contracting Officer Technical Representative (COTR).

## **7.0 Deliverables**

### **7.1 Work Breakdown Structure**

The Contractor's Project Manager shall develop a formal Management Plan and Work Breakdown Structure (WBS), using Microsoft Project for accomplishing and reporting to the Government's Program Manager the tasks defined in this SOW. The Work Breakdown Structure shall reflect the scope of each task, project task resources, and identify any relevant inter-dependencies between tasks. This WBS and associated time phased schedule shall be updated and provided to the Government weekly. The WBS shall be in sufficient detail to identify and track key work elements and shall identify dependencies between work elements. A key work element is defined as any work element whose deviation from the baseline plan may impact the start or completion of another work element.

### **7.2 Progress Reports**

As part of the overall project management the Contractor shall provide monthly status reports as well as any special reports (e.g. unscheduled or unanticipated difficulties encountered, etc.), that the Government's COR/COTR may require.

### **7.3 Impact Reports and Conditions**

The Contractor shall be responsible for providing formal notification to the Government's COR/COTR when resources or activities are impacting performance. This notification shall be provided in writing within 24 hours of anticipated or known impact.

### **7.4 Final Reports**

The Contractor shall provide a draft report within 120 days after award of the contract, with the final report due within 30 days after receipt of Government comments. The final report should describe the accomplishments and identify any recommended follow-on actions.

## **7.0 Government Directed Travel**

Any travel associated with this task order shall be in accordance with the Travel Plan furnished by the Contractor, through the Government's COR/COTR, and shall be approved by the Government prior to any travel being performed.

## **8.0 Other Direct Costs (ODC):**

Any miscellaneous other direct costs (ODC) associated with this SOW will be approved in advance by the Government's COR/COTR.

## **9.0 Government Furnished Resources and Facilities**

Work space and general administrative support equipment (including access to telephones, computers, copiers, facsimile equipment, and printers, etc.), office supplies and materials, computer software necessary to perform the on-site tasks and meeting rooms at Government sites shall be supplied to the contractor as Government-furnished resources and facilities (GFR/F). These will be supplied on an as required basis to support performance on this project. Requests for additional GFR/F shall be submitted to the COR/COTRI in writing and shall be acted upon by the Government within five working days of receipt.

## **10.0 Security**

All employees performing work on this delivery order shall have completed and successfully complied with directions of DLAR 5200.17, Enclosure 15 at the discretion of the Government Project Manager. All security ratings for this SOW are Non-Critical Sensitive, ADP II. The contractor shall provide the name(s) and social security numbers (SSNs) of all contractor personnel who will be working on this project to the appointed COR/COTR within five calendar days after Award. At least one contractor employee must have a clearance for classified information.

The Contractor shall be required to fill out an Electronic Personnel Security Questionnaire (EPSQ) which is the Government's security background check, Standard Form 85P (National Agency Check (NAC)), and to be fingerprinted in order to obtain a Building Identification Badge. The Contractor will be provided instructions for the installation of the EPSQ program by the COR/COTR. The document can be downloaded to the Contractor's personal computer through Netscape. The EPSQ must be electronically submitted to the DASC Personnel Security Office prior to the COR signing off on the Badge and ID Request Form (DLAH Form 1728). A hardcopy of the EPSQ questionnaire must be attached to the Badge and ID Request Form, to include the employee's signature, prior to submitting the package to the DASC Personnel Security, Room 1747. The employee must receive a favorable background investigation. If the background investigation finding shows that the employee has a criminal or drug problem, HQ DLA CAAS (Command Security) will make the determination to allow

employee access to the HQC or not. Once issued, the ID Badge must be displayed at all times while working on the Headquarters Complex.

## **11.0 Other Considerations**

### **11.1 Place of Performance**

The Contractor personnel responsible for government interface (either the program/project manager or another person with this as an assigned duty) shall have a desk at the DESC facilities location at 8725 John J. Kingman Rd., Ft. Belvoir, VA. This shall constitute the primary place of performance. The Contractor may propose that other personnel also be assigned to the DESC facilities based on the duty assignment. The remaining contractor personnel working off site must be available to report to the government location when necessary.

In addition, the government may task one or more contractor personnel to work at other Government sites within CONUS.

### **11.2 Hours of Work**

The Contractor may set its own work hours while working at the Government's facilities except that personnel shall be available for technical contact by the Government between the hours of 0800 and 1600 local time on Government work days. Work hours while working at the Government's facilities shall be consistent with the Government working hours with minimum availability from 0800 to 1600 local time on Government work days. The COR/COTR must approve any exceptions.

## **12.0 Staffing**

The Contractor shall propose a fully functional team to complete the taskings in this SOW. This team shall include management, technical, functional and/or administrative personnel as deemed necessary by the Contractor. Contractor is encouraged to use levels of expertise and time allocations as necessary to accomplish the task; this may include trainees and part-time allocations of personnel as well as senior staffing at a full time level.

### **12.1 Organizational Structure**

Contractor shall delineate the structure of the proposed staffing. The Contractor shall provide the organizational structure to include internal and external lines of communications. This includes general position descriptions and qualifications of personnel.

## **12.2 Key Personnel**

Critical to performance of this SOW are both the positions identified as key and the experience of the people in those position. The proposed key positions will reflect an understanding of the different skill sets necessary as well as the different functions to be performed.

The Contractor shall identify and provide resumes of those personnel in key positions. Key Contractor personnel shall be maintained through completion of the order. Proposed changes of key personnel shall be provided writing to the COR/COTR for approval. This should describe the proposed action (including resignation if applicable), any corresponding transition plan, and assessment of the anticipated impact to the EFDSS program efforts. In the event any key person assigned to this project leaves the employment of the contractor or is reassigned without the prior approval of the COR/COTR, the Government shall not be liable for payment of a replacement employee for 10 working days if that employee is assigned to work with the departing employee during a transition plan. The loss of personnel under these conditions shall not excuse timely performance or completion of this order.

## **PROPOSAL SUBMISSION**

The Contractor shall submit a price proposal separate from the technical proposal.

The technical proposal shall be submitted in two (2) sections each limited to fifteen (15) pages. The sections shall be marked for easy identification as follows:

### **A. Experience/Management Plan**

This should address the overall management concept of the company as well as the specific management plan for the proposed task order. Plan should address staffing structure, roles and responsibilities of key contractor personnel, process for interaction with the government personnel both on contractual issues as well as daily team support. Included in this plan should be the résumés of the key personnel.

### **B. Technical Approach**

This section should provide a detailed plan describing the Contractor's approach to completing each task. The plan should include milestones along with a description of the work to be completed in order to meet each milestone. The plan should identify critical elements for each milestone, with the potential problems identified along with the Contractor's approach to minimizing the risk associated with them.

## EVALUATION OF OFFERS

For evaluation purposes, the three factors (price, technical approach, and experience/management plan) are equal in weight. However, as proposals become more equal in technical merit, the price becomes more important.

Technical proposals will be rated against the factors listed below.

Experience/Management Plan: The Government will evaluate the experience of the offeror's proposed personnel as it relates to their ability to successfully perform the required work. The Government will also evaluate the soundness of the management concept proposed.

Technical Approach: The Government will evaluate the approach to completing the task, including the milestones and critical elements necessary to complete each milestone. The Government will also evaluate the offeror's recognition of potential problems and the plan for minimizing those problems/risks.

Note: The Government plans to award the task order without conducting discussions, but reserves the right to conduct discussions if necessary. **The Government reserves the right to award on each individual Task(s). Two (2) different contract(s) could be awarded on this solicitation.**



**CLAUSES INCORPORATED BY REFERENCE  
APR 1984**

This contract incorporates the following clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

**FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES**

1. FAR 52.203-01	Officials Not to Benefit
2. FAR 52.203-03	Gratuities
3. FAR 52-203-05	Covenant Against contingent Fees
4. FAR 52-212-07	Anti-Kickback Procedures
5. FAR 52.213-02	Invoices
6. FAR 52.217-9	Option to Extend the Term of the Contract.
7. FAR 52.222-03	Convict Labor
8. FAR 52.222-26	Equal Opportunity
9. FAR 52.232-01	Payments
10. FAR 52.233-01	Disputes
11. FAR 52.243-01	Changes - Fixed Price
12. FAR 52.249.01	Termination for Convenience of the Government
13. FAR 52.249-08	Termination for Default
14. DFARS 52.225-12 & DFARS 52.225-13	Restriction on Contracting with Sanctioned Persons

**NOTES:**

1. Central Contractor Registration (CCR): Contractor must register under the CCR before payment of invoices can be made. Contractor can register in the CCR at [www.ccr2000.com](http://www.ccr2000.com)
2. Offers should be submitted on the most favorable terms possible from a price and technical standpoints.
3. Contractor and contractor employees assigned to this requirement shall sign an Employee Confidentially Non-Disclosure of Non-Public Information and Conflict of Interest statement before work begins. See Clause I605.03

**I605.03      CONFIDENTIALITY AND NONDISCLOSURE OF NONPUBLIC INFORMATION AND  
CONFLICTS OF INTEREST (DESC OCT 2000)**

(a) The Contractor may have access to nonpublic information while providing support services under this contract. **Nonpublic information** includes, but is not limited to, advanced procurement information, such as future requirements, statements of work and acquisition strategies; source selection information, such as source selection plans, offers before they are made public, and rankings of proposals; trade secrets; proprietary information submitted by a Government Contractor; information protected by the Privacy Act; attorney work product; and other sensitive information that would not be released by the Defense Energy Support Center under the Freedom of Information Act, e.g., program, planning, and budget information.

(b) The Contractor shall require that all employees assigned to perform tasks under this contract sign and comply with a Confidentiality and Nondisclosure Agreement as required by the Contracting Officer. This Agreement requires each individual working under the contract to certify that he/she—

(1) Shall not seek access to nonpublic information beyond what is required for performance of the support services contract;

(2) Shall ensure that his/her status as a Contractor employee is known when seeking access to and receiving nonpublic information from Government employees, members of the general public, or other Contractors/offerors;

(3) Shall not use or disclose such information for any purpose other than providing the contract support services or disclose the information for any personal or other commercial purpose;

(4) Shall advise the Contracting Officer in writing as soon as possible if he/she becomes aware of any improper release or disclosure of nonpublic information.

(5) Shall agree to return any nonpublic information given to him/her during contract performance, including all copies, upon completion of each assignment; and

(6) Shall recognize that release or disclosure of nonpublic information is in violation of the signed Agreement and that contractual actions, as well as civil or criminal remedies authorized by law, are applicable to both the Contractor employee and the Contractor for unauthorized use or release of nonpublic information.

(c) The performance of tasks under this contract may also present Contractor employees with potential conflicts of interest. A **conflict of interest** includes, but is not limited to (1) participating personally and substantially in a Government procurement, contract, issue, litigation, or other matter that will affect a Contractor employee's financial interests or those of the employee's spouse, minor child, general partner, an organization in which the employee serves as an officer, director, trustee, general partner, or employee, or a person with whom the employee is negotiating for, or has an arrangement concerning, prospective employment, or (2) involvement in a Government procurement, contract, issue, litigation, or other matter that might affect the financial interests of a person who is a member of the employee's household or with whom the employee has a close personal relationship; a person for whom the employee's spouse, parent, or dependent child serves as an officer, director, trustee, general partner, agent, attorney, consultant, contractor, or employee; any person for whom the employee has within the last year served as officer, director, trustee, general partner, agent attorney, consultant, contractor, or employee; or any organization in which the employee is an active participant. The Contractor shall require that Contractor employees disclose potential conflicts of interest by providing a written statement of their affiliations and financial interests to the Contracting Officer, upon request, to avoid potential conflicts of interest when identified. The Contractor shall resolve potential conflicts of interest to the Contracting Officer's satisfaction when identified, including, but not limited to, substituting equally qualified Contractor employees that do not have a conflict of interest to perform tasks under this contract.

(DESC 52.224-9F10)

## **Statement Of Work** **Change Management Board Support**

### **1. Overview**

DESC has chartered the Change Management Board (CMB) that is responsible for assuring that DESC business practices are reengineered to gain optimal benefits and overlapping synergies from the implementation of the Fuels Automated System and other major IT initiatives. The Director of DESC chairs the CMB when major decision activities are occurring; otherwise the Board is co-chaired by the Deputy Director of DESC and the Deputy Director of Change Management. The Board itself is comprised of all the key personnel responsible for managing daily operational DESC functions.

### **2. Scope**

The scope of this task is focused on providing program management support to the CMB and to a related sub-group of the CMB called the Change Management Group (CMG). The CMG is chaired by the Deputy Director of Change Management (DCM) and carries out business process mapping and re-engineering/improvements activities as directed by the CMB. Hence, support is needed for both the CMB and the CMG to include related activity stemming from on-going and future initiatives designed to improve DESC's daily operational business activity.

A good deal of the initial activity is anticipated to relate to Fuels Automated System (FAS) and related IT activity. FAS enables the complete transformation of DESC from a largely "wholesale" activity to an organization that will have major "retail" activity at virtually all fuel related functions at DOD installations. Therefore, the CMB will also focus on any related organizational change that may be needed due to this on-going deployment of FAS.

### **3. Tasks**

Specific Tasks for this CMB and CMG support are listed below. These requirements may not be an exhaustive list but should comprise the major activities known at this time.

**Task 1:** CMB Support: The contractor shall provide support to the CMB as it addresses major initiatives, BPR activity, or IT activity at weekly CMB meetings. This support will as a minimum comprise taking and generating minutes from each weekly meeting and providing a draft to the DCM NLT 2 days after the meeting. This activity will also include the generation of the agenda for the following week's meeting and to generating a calendar of future scheduled initiative briefings. The contractor will also track action items generated from identification to resolution and may be involved in activity related to the actual resolution.

**Task 2:** CMG Support: The contractor will also support the CMG in a similar manner as above although it is anticipated that the administrative task will be minimal and the actual work on resolving action items higher. The CMG will serve as the action agency for the CMB when there is no organizationally specific activity to which to assign a task. Hence, any activity that involves more than one major organizational unit or CBU is likely to be assigned to the CMG for action. This action may well result in needed business process mapping and lead to needed procedural or IT changes for resolution. Prior to actual action of any nature, the proposed solution will be briefed and approved by the CMB. In this regard, the contractor will provide both analytical and briefing support as the item is worked to resolution.

**Task 3:** In addition to CMB and CMG support, the DCM or others on the CMB could generate related change management requirements. While not an exhaustive list, general areas of concern are organizational change, workforce development, organizational design, information technology improvements, and customer relationship management to include the development of an integrated call center for both internal and external customers.

Task 4: Many of the above tasks could result in the need for updated or new procedural documentation of a new policy or procedure. When so directed by the CMB, CMG, or DCM, the contractor will deliver draft policy/procedure to the DCM for formal administrative processing.

**4. Task Order Type**

A level of effort tasks order under the DESC Consulting Services contract will be utilized. The level of effort for this task is up to 2.0 man-years per year for the first year and the same for the 2 option period(s). Government will determine the number of consultants to be contracted and have to right to exercise the option period(s) or not. Offerors can submit up to two individuals for the effort.

**5. Key Personnel**

**The contractor shall assign to this contract the following personnel:**

- a. (Insert employee's name and title/position.)

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b. During the first 60 calendar days of performance, the Contractor shall make no substitutions of key personnel unless the substitution is necessitated by illness, death, or termination of employment. The Contractor shall notify the Contracting Officer within 5 calendar days after the occurrence of any of these events and provide the information required by (c) below. After the initial 60 calendar day period, the Contractor shall submit the information required by (c) below to the Contracting Officer at least 5 days prior to making any permanent substitutions.

c. The Contractor shall provide a detailed explanation of the circumstances necessitating the proposed substitutions, complete resumes for the proposed substitutes, and any additional information requested by the Contracting Officer. Proposed substitutes should have comparable qualifications to those of the persons being replaced. The Contracting Officer will notify the Contractor within 3 calendar days after receipt of all required information of the decision on substitutions.

**6. Period of Performance**

**March 2002 – February 28, 2004**

1<sup>st</sup> OPTION Period

March 1, 2003 through February 29, 2004

2<sup>nd</sup> OPTION Period

March 1, 2004 through February 28, 2005

**7. Place of Performance**

The majority of the effort will be performed from the contractor's facilities. On-site Government provided facilities would be provided on an as needed basis.

**8. Travel**

None is anticipated. However, in the event the government requires travel the Government will be responsible for the cost of travel and per diem only. All travel shall be coordinated with the Contracting Officer's Representative (COR). Costs associated with Government directed travel shall be in accordance with FAR Part 31.205-46.

See Web page <http://www.gsa.gov/far/90-46/html/31PART.HTM>

**9. Government Contracting Officer's Representative**

Agency: Defense Logistics Agency

Organization: Defense Energy Support Center  
Office of Change Management

Point of Contact:

Name: BRODERICK, MICHAEL, COL  
Title: Contracting Officer's Representative  
Address: Defense Energy Support Center  
Director of Change Management  
DESC-DCM, Rm.4915  
8725 John J. Kingman Rd.  
Fort Belvoir, VA 22060-6222

Telephone: (703) 767-9675  
Fax: (703) 767-9672